# AB 32 Environmental Justice Advisory Committee

Location: Bakersfield, CA Dates: December 21-22, 2016

# Environmental Justice Advisory Committee (EJAC) Member Attendees: December 21, 2016

Colin Bailey (CB), Tom Frantz (TF), Katie Valenzuela-Garcia (KVG), Sekita Grant (SG)-by phone, Kevin Hamilton (KH), Luis Olmedo (LO), Mari Rose Taruc (MRT), and Eleanor Torres (ET)

### Air Resources Control Board (ARB) and Other State Agency Attendees

Trish Johnson (TJ), Floyd Vergara (FV), Dave Mallory (DM), Johnnie Raymond (JR), Wes Ingram (WI), Alvaro Alvarado (AA), Linda Helland-CDPH (LH), John Faust-OEHHA by phone (JF)

# **Guest Presenter by Webinar**

Rachel Morello-Frosch (RMF)

# **EJAC Member Attendees: December 22, 2016**

Gisele Fong (GF), Tom Frantz (TF), Katie Valenzuela-Garcia (KVG), Sekita Grant (SG)-by phone, Kevin Hamilton (KH), Luis Olmedo (LO), Mari Rose Taruc (MRT), and Eleanor Torres (ET)

# **ARB and Other State Agency Attendees**

Trish Johnson (TJ), Dave Mallory (DM), Johnnie Raymond (JR), Wes Ingram (WI)

# **ARB and Other State Agency Attendees by Phone**

Floyd Vergara (FV), Emily Wimberger (EW), Matthew Botill (MB), Rajinder Sahota (RS), Jakub Zielkiewicz (JZ), Stephanie Kato (SK), Hank Brady-CalRecycle (HB)

# **Facilitation Support**

Stephanie Lucero, Facilitator, Center for Collaborative Policy (CCP) Justin Almase-Ruschell, Note-taking support, CCP Mark Wilson, Technical Writer

#### **Action Items**

# December 21<sup>st</sup>

- ARB will brief the EJAC on the following completed studies of the three Scoping Plan Scenarios (including carbon tax):
  - a. Economic scenarios.
  - b. Natural and Working Lands emissions quantification methodology.
  - c. Any new scenarios staff is expecting will be included in the Final Plan.
- 2. ARB will assess the EJAC Cross-Link Table and will provide a full comparison of recommendations and Scoping Plan content.

- 3. OEHHA will coordinate a briefing with ARB ahead of the release date (prior to the January 27<sup>th</sup> Board Meeting) and looks forward to sharing the results with the EJAC when they are completed.
  - a. ARB will provide the EJAC on a briefing regarding the OEHHA report and offer deep dive discussions with either the EJAC working groups or the full EJAC.
- 4. FV will share the EJAC's concerns and requests regarding the Scoping Plan timeline to his superiors and notify the EJAC of any approved extensions of time.
- 5. FV will care the EJAC's requests regarding childcare to his superiors as well.
- 6. ARB will post the CDPH presentation for EJAC review.
- 7. ARB will post a copy of RMF presentation for EJAC review.
- EJAC members recommended that offsets be eliminated based on findings from the "A
  Preliminary Environmental Equity Assessment of California's Cap-and-Trade Program"
  (Cap-and-Trade Report).
- 9. FV agreed to send the EJAC the trend/benchmarking report relating to sector efficiency
- 10. FV will follow up with LO regarding imported emissions. As necessary, LO will follow up with the EJAC regarding any needed revisions to EJAC recommendations.
- 11. FV offered to have ARB Staff walk through the Cap-and-Trade Report data upon request.
- 12. KVG will provide ARB with sample language to consider in the Full Scoping Plan regarding permitting culturally prescribed burning.
- 13. EJAC reviewed the December 16, 2016 comment letter signed by several environmental groups for discussion on December 22, 2016.

#### December 22

- TF will provide additional language on overarching issues for revising the Discussion Draft.
- 2. MB will share TF concerns regarding enforcement of mitigating GHG emissions from construction of high speed rail with the High Speed Rail Authority.
- 3. KVG will provide her data on Carbon Tax to EW.
- 4. FV will provide data to the EJAC from the recent Board Meeting, which emphasized the need to engage EJ Communities.
- 5. JZ will speak with KH offline regarding KH mention of SB 1383, under the known commitments categories, as well as Kevin's references to Appendix E, Page 54 and 55.
- SK will follow up with State Water Resources Control Board and DWR regarding energy
  efficiency plans and the availability of funding for electric pumps (and/or conversion of
  non-electric pumps) for agricultural pumping. (See EJAC's Recommendations 20 and 23,
  Appendix G, pages 13-14.)
- 7. KVG will provide Staff details of the exchange between the Karuk Tribe and others in northern California that participated in the tribal lands community workshop culturally prescribed burning.
- 8. DM will deliver what TF and KVG have shared regarding prescribed burning to the Forest Planning Team.
- 9. MRT will provide research to ARB staff from various groups regarding the pros and cons of leaving dead trees in the forest.

10. Staff will follow up with the EJAC in early January regarding conducting Community Workshops in February.

# **EJAC Agreements, Recommendations, and Requests**

The following summarizes specific requests and recommendations made by the EJAC to ARB during the course of the meeting.

#### December 21

## **Scoping Plan Timeline**

- EJAC requested the following revisions to the Scoping Plan Timeline:
  - The Scoping Plan Timeline be pushed back a minimum of two months (6-8 weeks).
    - EJAC must have 2 weeks to review released documents (including Pending Materials).
    - EJAC and ARB Staff will meet to discuss documents (i.e., ARB briefing).
    - EJAC to conduct community workshops to discuss documents.
    - EJAC to meet and develop recommendations related to Pending Materials (approximately 2-3 weeks for development and incorporation of revised recommendations).
  - Two month timeline will commence once the EJAC receives all Pending Documents (see above).
  - o The previous review process would occur prior to initiating CEQA
  - Assuming a release of Pending Materials in the next 30 days, the Final Scoping Plan will be released by June 1.
- The EJAC requests a minimum of 2 months, starting from the release date of the third document, to review the documents, schedule briefings with ARB accordingly, and incorporate elements of the documents into the EJAC recommendations as needed. The EJAC agrees that the 2 month review process and elements therein need to occur prior to CEQA initiation. This 2 month time period can include Community Workshops, as long as ARB Staff offer logistical planning support, similar to the level of support provided for the August, 2016 Workshops.

# **Overarching Issues and Process**

- The EJAC requests that ARB will include the AB 197 analysis of Scoping Plan measures related to GHG emissions and co-pollutants and avoided social costs of carbon.
- The EJAC requests that ARB will provide the EJAC with analysis of the Adaptive Management Plan.
- The EJAC requests that ARB will provide the EJAC with analysis of the OEHHA Report
- The EJAC requests that childcare be provided at future Community Workshops.
- The EJAC requests that the Adaptive Management Tool Briefing needs to happen before CEQA.

• CDPH should conversations with economists at ARB who are conducting the analysis on Economic Model.

#### December 22

# **Overarching Issues and Introduction**

- EJAC agreed to remove the sentence referencing CAPCOA on page 106 in the Draft Scoping Plan beginning with, "Where further process design..." from the Discussion Draft.
- EJAC agreed to providing annotations within the Full Scoping Plan to EJAC recommendations. The Appendix could be annotated directly into the Scoping Plan.
- The EJAC agreed to incorporate a vision for a clean energy, economy and jobs throughout the Scoping Plan, and not limited to the introduction.
- EJAC encouraged inclusion of communities in project decision-making processes, ensuring communities have an active role in determining how funds are distributed and projects implemented throughout the Scoping Plan. This includes DAC ownership of innovations.
- All authors need to look at how the Scoping Plan might reference Cap-and-Trade as the only scenario. If they are going to refer to a specific scenario, they need to include other scenarios too, or remove Cap-and-Trade and all others by name, simply referencing "All scenarios."

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# **Sector Recommendations, Requests and Agreements**

- The EJAC agrees to the Climate Investment Working Group's notes referenced on Day 2.
- The EJAC recommends including the Social Cost of Carbon emphasized and factored into all scenarios.
- The EJAC recommends inclusion of an alternative scenario that addresses the carbon fee, carbon tax, and dividends structure in the Data Modeling Analysis.
- EJAC agreed to revise Recommendation 6 Appendix G, page 40 relating to GHG Reduction Fund (GGRF). Generally emitting entities will not be eligible for GGRF funds, however emitting entities may be eligible for GGRF funding through an exemption if the premise of their innovation includes community leadership and partnership in projects.
- The EJAC requested inclusion of the "Just Transition Fund" for workers and communities to convert from fossil fuel reliant industry jobs to green economy jobs.
- The EJAC requested the Industry Section focus more on green economy and development of green energy jobs.
- RS needs to check with ARB economists regarding research related to the projected loss of jobs in the fossil fuel industry vs. new jobs in the clean energy industry.
- ARB staff needs to incorporate language to prioritize transition within DACS to make sure they are seeing the investments and transitioning happening in their communities.
- ARB should consider the discussion that took place related to the Renewable Portfolio Standard on Appendix E, page 60 of the Discussion Draft, and will look to change the

language of the section, giving special attention to the phrase "carbon neutral" in the draft.

- On Appendix E, page 47 of the Discussion Draft, under Sector Measures, AB 197, SB 698, and SB 350 needs to be included as Known Commitments.
- On Appendix E, page 47 of the Scoping Plan, the sentence "...carbon capture and sequestration technologies that will promote continued fossil fuel use, especially enhanced oil recovery..." should be removed.
- If carbon sequestration is going to be included in the Scoping Plan, it needs to be annotated that this is something the EJAC does not recommend, and that it is contrary to the EJAC's vision.
- On Page 117 of the Discussion Draft, regarding employment, change "Workers with lower status jobs...have a higher risk of death..." to "Higher status jobs that promote greater sense of autonomy, control over the work, better capability and health, and lengthens workers' lives."
- Safety, with regard to walking, biking and public transportation, needs to be included in the Transportation section of the Discussion Draft.
- Include UC Berkeley Study related to Green Buildings as an appendix.
- Include a Green Building component in the Energy section of the Scoping Plan, rather than making it an appendix. It should have its own section, and should be interwoven throughout the other sectors of this section as well.
- EJAC recommends inclusion of Recommendation 7 & 8 (Appendix G, page 11) into the Scoping Plan.
- Include Cultural and Prescribed Burning in the Natural and Working Lands section.
- EJAC called out specifically not to strip forest to feed bio-waste and this needs to be reinforced (EJAC Recommendation 6E, Appendix G, page 17)
- On Appendix E, page 60 of the Discussion Draft, (2) & (3), include restoring carbon to the soil.
- On Appendix E, page 64 of the Discussion Draft, use percentages rather than acres in Table II-2.
- Reforestation/planting, urban forestry, and community greening projects in Environmental Justice (EJ) Communities need to be discussed further in the Natural Environment and Working Lands section.
- Identify the right people to determine forest management best practices, including Native American Tribes.
- Continue to identify working alternatives to the targeted 40% reduction by 2030.

# **Materials**

Appendix A: California Department of Public Health Presentation

Appendix B: <u>Presentation on A Preliminary Environmental Equity Assessment of California's Cap-and-</u> Trade Program.

Appendix C: A Preliminary Environmental Equity Assessment of California's Cap-and-Trade Program

Appendix D: Nov. 18, 2016 Board Update: California's Clean Air Approach and Update on Cap-and-Trade

Adaptive Management Process

Appendix E: Scoping Plan Discussion Draft (hereinafter "Discussion Draft")

Appendix F: <u>Draft Table Mapping EJAC Recommendations to Discussion Draft</u>

Appendix G: <u>Draft Cross Link of EJAC Recommendations to Discussion Draft</u>

Appendix H: December 14, 2016 Workshop on Carbon Sequestration Modeling Methods and Initial

Results for the Natural & Working Lands Sector in the 2030 Target Scoping Plan

Appendix I: <u>December 16, 2016 Workshop on 2030 Target Scoping Plan Discussion Draft, including</u>

economic modeling updates.

# Day 1, December 21, 2016

#### **Welcome and Introductions**

Stephanie Lucero (SL) opened the meeting by reviewing the day's agenda, and materials. She also went over the ground rules and logistics, and confirmed which attendees were participating remotely via phone and/or webinar.

Next, Tom Frantz (TF) welcomed participants to the city of Bakersfield. He highlighted the severity of Bakersfield's poor air quality, and mentioned that Bakersfield is home to a large oil and gas industry, a large renewable energy industry, and both farming and dairy industries. He emphasized that Bakersfield's industries are directly related to the ongoing pollution challenges in the area, as well as the overall problem of global warming. TF reiterated that he would like to see the reduction of greenhouse gases (GHGs) and to have AB 32 and other laws followed to reduce local air pollutants as well. He expects local residents to receive the benefits of those laws. He shared that the implementation of these laws was one of the drivers behind the Environmental Justice Advisory Committee. Finally, TF reminded attendees that this was one meeting of many in 2016, and that the Committee would continue to meet in 2017.

Next, Mari Rose Taruc (MRT) recounted a tour the EJAC took today to a Kern oil field owned by Chevron, and shared the EJAC's findings. Notably, they learned that Chevron pumps steam 500 to several thousand feet into the earth to heat the oil, which makes it easier to extract. The EJAC also drove to Shafter, next to the Sequoia School, which is in the same area as a community garden, just down the street from a large gas flaring operation. MRT questioned how flaring from the fracking site will be addressed in AB 32, and cited this concern as a primary example of what the EJAC hopes to address. TF noted that the EJAC did not have a quorum for the tour—therefore it was not an official meeting for the EJAC.

# **Update on Scoping Plan Timeline**

Trish Johnson (TJ) presented the Scoping Plan Timeline referencing proposed dates as follows:

- December 2, 2016: Release of Discussion Draft
- December 14-16, 2016: ARB held two workshops related to the Scoping Plan:

- December 14, 2016 Workshop on Carbon Sequestration Modeling Methods and Initial Results for the Natural & Working Lands Sector in the 2030 Target Scoping Plan
- o <u>December 16, 2016 Workshop on 2030 Target Scoping Plan Discussion Draft, including economic modeling updates.</u>
- December 19-20, 2016: ARB reached out to the Committee and held short calls to review specific sector working groups.
- Early January 2017: ARB plans to release the Full Scoping Plan, including the Environmental Analysis.
- January 9, 2017: Identified as a potential week for the EJAC to conduct Community Meetings.
- January 17, 2017: Proposed workshop on the proposed Scoping Plan.
- January 18, 2017: Proposed EJAC meeting in Sacramento.
- January 27, 2017: Present Scoping Plan to the Air Resources Control Board (ARB Board).
- February March, 2017: Opportunities for more Community Meetings and EJAC meetings.
- Spring 2017: Release Final Proposed Scoping Plan
- Spring 2017: Second ARB Board Hearing on Scoping Plan

#### **Questions and General Discussion:**

#### **TIMELINE**

- Many EJAC members expressed concern with the timeline with respect to:
  - Availability of materials
    - OEHHA Report
    - Full Scoping Plan Scenarios
    - Economic Analyses and Methodologies
    - Adaptive management Report
    - AB 197 analysis of the Full Scoping Plan
    - ARB cross-link table (hereinafter collectively referred to as the Pending Materials)
  - Adequate time to review materials
  - Preparation of community workshops
  - Opportunities for EJAC to prepare recommendations to Full Scoping Plan prior to commencing CEQA
  - Opportunity for community stakeholders (i.e. through community meetings) to offer input or make adjustments to the Discussion Draft, if substantive changes are made after the early January release date
  - Concern that CEQA analysis would need to be redone under current timeline to accommodate community input.
- Many EJAC members expressed a desire for a January EJAC meeting to review outstanding materials and prepare for the January Ca. Air Resources Control Board meeting.

- KVG: If the Full Scoping Plan is released in early January, it will not be possible to have Community Workshops the week of January 9th. The concern is that the timing is too constricted. She proposed postponing the release of the Full Scoping Plan (from early January) so Staff can have time to incorporate input from meetings with EJAC.
- KH: indicated that there is an opportunity at the end of January or early February to conduct community meetings—which take roughly a month and a half to organize properly. He also emphasized the need to have ARB pay for child care at the community meetings.
- KVG: Regarding the timeline: when can Staff inform the EJAC what the other two
  scenarios are, and when will the Carbon Tax and Social Cost of Carbon study done? It
  will be helpful for the EJAC to know when it will receive that information. The EJAC
  needs to be briefed on those studies, and needs to have sufficient time to deliberate on
  them as well.
  - FV: There is no specific timeframe for either of those things at this point. FV
    agreed to take these requests back to his superiors in Sacramento and will
    provide the EJAC a timeline to discuss this further.
- MRT: The Timeline should include:
  - The release of full scenarios that are going into the Scoping Plan Draft and the briefing for the EJAC on the scenarios. The release date for the Carbon Tax Studies should also be included in the Timeline.
  - The release of the OEHHA Environmental Justice Report on AB 32 needs to be included in the timeline. The EJAC has clearly stated that this report will be a critical part of its recommendations on the Scoping Plan. The release of this report also triggers the process for the EJAC to review the information, for Staff to brief the EJAC on the information, and the timeline for the EJAC to incorporate it into its recommendations. This is another 4-6 week process, from the release date of the study.
  - O KH: ARB Staff agreed to this in the beginning, and the release of this study was part of the negotiation related to stretching the Timeline to April 1 2017, which was predicated upon the EJAC receiving the Economic Impact Report and the OEHHA Health Assessment in a timely manner which would allow the EJAC to inform its recommendations to the Draft. It seems those agreements are being abdicated. Who on the Board does the EJAC need to speak with in order to negotiate this and move the ball forward?
  - FV: With regard to the OEHHA agreement, John Faust (JF) from OEHHA will present on this material later today. ARB has committed to providing the additional process and time to discuss the findings of the OEHHA report with the EJAC, and to doing a deep dive with the EJAC working groups or a full blown deep dive with the EJAC to walk through the report.
- KVG: The draft comment period for the Natural and Working Lands section is open until January 14, 2017, how can comments be received while the CEQA analysis is taking place simultaneously? Once the CEQA process is started, it will be impossible to shift course with something of this magnitude. The EJAC needs to receive all necessary information and requires ample opportunity to comment before the initiation of CEQA;

- once CEQA begins, the EJAC will be unable to affect anything. The EJAC wants adequate time to receive the data, conduct public workshops, allow for public comment and then initiate CEQA.
- CB: ARB should embrace the opportunity to receive EJAC's feedback, as it will make for
  a more robust and defensible process for ARB. The EJAC's best recourse may be to seek
  litigious means, as a backstop, in the case that its requests are not met, or considered.
  - SG: It would be wise for the EJAC to look at partner organizations it should be engaged with, echoing CB's comment above, and all comments thus far regarding the timeline seem appropriate.
- KVG: Staff could also push Cap-and-Trade to 2020.
- KH: SB 32 did not provide the anticipated solution, so Cap-and-Trade will likely exist until 2020. The timeline is concerning, as a Scoping Plan Draft was expected to be released at the end of November 2016, not January 2017. Therefore, the overall process is 45-50 days off target; that same 45-50 day timeframe is now needed on the other end, in order to have a robust and inclusive process. This has nothing to do with political pushback. The overall process has everything to gain, and virtually nothing to lose by extending the projected release dates.
- Eleanor Torres (ET): As EJAC Members, we made commitments to our communities. The meeting held in San Bernardino brought hope to the community. Our commitment is to our communities, not to the timeline. Whole heartedly wants the community of San Bernardino to be able to respond to ARB appropriately, given ARB's statement that you were partners with them and that you told them you would incorporate their input. We are dealing with people's lives and hopes—something we ought not to take lightly as a group. As an EJAC Member, I cannot support this process if we are not giving it its due diligence.
- EJAC Agreed to the following revisions to the Scoping Plan Timeline:
  - The Scoping Plan Timeline be pushed back a minimum of two months (6-8 weeks).
    - EJAC must have 2 weeks to review released documents (including Pending Materials)
    - EJAC and ARB Staff will meet to discuss documents (i.e. ARB briefing)
    - EJAC to conduct community workshops to discuss documents.
    - EJAC to meet and develop recommendations related to Pending Materials (approximately 2-3 weeks for development and incorporation of revised recommendations).
  - Two month timeline will commence once the EJAC receives all Pending Documents (see above).
  - The previous review process would occur prior to initiating CEQA
  - Assuming a release of Pending Materials in the next 30 days, the Final Scoping Plan will be released by June 1.
  - MRT: Community Workshops can occur in revise timeline if ARB Staff can assist the EJAC at the same baseline support from Staff as it did for the August meetings. She reiterated that providing childcare should be a priority.

• FV: Appreciates the EJAC's concern about the timeline, and will take this concern and his recommendations to his supervisors. He cannot make any promises regarding childcare.

#### **Discussion Draft Content**

- TJ: Asked Committee Members if they have had a chance to discuss the Discussion Draft
  with their communities, and reiterated that the Discussion Draft includes Scoping Plan
  Scenarios, which is Staff's preferred approach with regard to the Cap-and-Trade
  Program, as well as the Carbon Tax alternative. She asked Committee Members if they
  have heard of any specific changes from their communities that they would like to see
  that could affect the CEQA analysis.
- KH: Felt there was no mention of a Carbon Tax in the Discussion Draft. He expressed a desire to ensure all avenues should be explored, and identified a Carbon Tax as a more viable politically. The need to explore a Carbon Tax was brought up at Public Meetings and ARB Meetings. KH expressed concern that exclusion infers a desire to revert to revert to Cap-and-Trade, which has been unsuccessful and does not mitigate the problem at the source of the emission. KH felt that the pathway of the Discussion Draft of the Scoping Plan does not benefit Kern County and EJAC communities.
- KH: Felt that the EJAC should analyze how many EJAC recommendations made it into the Discussion Draft. He expressed a desire to have EJAC recommendations incorporated and referenced more in the Discussion Draft (even as footnote annotations), instead of only including them in the appendices. He expressed concern with the integrity of the process if anything less was done with EJAC recommendations, which could impact his further participation in the process.
- ARB clarified the number of anticipated scenarios in the Full Scoping Plan. The Discussion Draft includes three scenarios, and the Concept Paper included four scenarios. Two of the scenarios in the Concept Paper were merged into one for the Discussion Draft. In the December 2<sup>nd</sup> ARB workshop on the Discussion Draft, Rajinder Sahota (RS) spoke about moving to five scenarios, but ARB is not is not in the position to disclose the remaining two scenarios. ARB acknowledged each of the recommendations that provided, and are trying to make sure we take into account the types of recommendations in its analysis of the scenarios.
  - EJAC expressed concern about not having the final two scenarios, nor being informed of their content.
  - MRT: Regarding the economic models and scenarios, economists are not done studying the Social Cost of Carbon and the Carbon Tax, both of which must go through the CEQA process. Given that this information is not available it is uncertain whether the unknown scenarios will favor: industry, health, or communities and the public. She expressed the need to know what the other two scenarios are, or when they are released.
- MRT: From those five scenarios, staff will narrow it down to one scenario they will
  propose to the Board to vote on. Therefore, the EJAC needs to be aware of which way
  Staff is leaning in terms of narrowing down the proposals and what the EJAC's
  recommendation will be related to those scenarios.

- TF: Referenced a December 16, 2016 comment letter signed by several environmental groups. The letter referenced incorporation of AB 197. TF recommended the EJAC incorporate the letter. This was discussed on December 22, and EJAC members will consider the letter individually versus signing on as a complete body.
- TF: Prioritization of direct strategies on facilities and direct emissions reductions, as referenced in AB 197 is not the Discussion Draft. We want to know if that will come out in the January Scoping Draft. The Economic Analysis Report for the Carbon Tax vs. Capand-Trade is an unfair analysis, because the Carbon Tax analysis leaves out all possible direct emissions that could be included along with the Carbon Tax, which exists with Cap-and-Trade. There has not been a fair comparison with the Carbon Tax analysis vs. Cap-and-Trade. The Carbon Tax analysis needs to be redone—soon.

# **Health Report Presentation**

Linda Helland (LH), California Department of Public Health, and John Faust (JF), OEHHA (by phone) presented the Public Health Discussion. See Appendix B for the complete presentation. Key elements are as follows:

- To understand health equity, it is important to understand what health inequities are. For example: In Stockton life expectancy is 73 years; in Irvine life expectancy is 88 years. Also, Zip Codes are often better indicators of life expectancy than our genetic code.
- The most significant health factors are split roughly between: 1) availability of medical care, and avoiding unhealthy behaviors; and 2) items known as environmental quality, social and economic circumstances. All of which effect stress levels and behaviors
- Economic factors such as poverty and income are collectively greatest determinant of health status.
- Focus and emphasis is to work upstream, in order to address the root causes of inequality and health concerns—primarily where actions to address climate change occur.
- Climate Change has been called the biggest threat to the 21<sup>st</sup> century, it will:
  - o Impact all people, but the most vulnerable will suffer the most.
  - Magnify existing health inequities.
  - Is a threat multiplier, amplifying existing risks.
- Tackling Climate Change could present the greatest opportunity to address health challenges in the United States.
- The Scoping Plan sectors address some of these health concerns. One of the largest health concerns addressed in the Scoping Plan is the impact of transportation on the environment.
  - For example: increasing walking, bicycling and transit use could greatly improve the health of California's communities, save California billions of dollars annually in healthcare costs, and reduce Green House Gases (GHGs) by almost 10% from the 2010 baseline.

#### **Questions and General Discussion Related to Public Health Discussion:**

- KVG: It is very important to keep this component and discussion front and center in the process. You mentioned you provided recommendations to ARB for the Scoping Plan which of those recommendations do you see included in the Discussion Draft, and which were left out?
  - LH: We see a lot of what we drafted in the Discussion Draft, and continue to work collaboratively with ARB. Public health is broad and is impacted by many factors such as living conditions, social conditions, and economic conditions, which is reflected in the draft. We are also listening to community input and have been developing the Public Health Analysis with OEHHA. That represents the next iteration of the plan, and will be much more robust and detailed.
- TF: An incentive should be offered to encourage people to buy and use bikes more. Would like to see elimination of sales tax bike purchases, rebates on community type bicycles, similar to those offered on electric vehicles. TH also recommended ARB promote programs focusing on diet, health and GHGs. He suggested that the consumption of dairy product as an example of campaign for diet changes to improve health and GHG benefits from Sacramento that is significant enough to reach the dairy industry.
- KH: This presentation would be useful for the County Transportation Department, rather than Caltrans, due to the many required layers and levels of distribution Caltrans must adhere to. It sounds like CDPH is doing an analysis of the Scoping Plan, contained in that analysis should be specific recommendations of what needs to be in the Full Scoping Plan from the Public Health perspective. An analysis absent those recommendations is insignificant. Once the Scoping Plan includes recommendations specifically related to Public Health, the EJAC can then advocate for those recommendations to be included in the Final Scoping Plan. Do you have timeline for when your next analysis will be complete?
  - LH: The Discussion Draft reflected a short version of the Public Health Analysis, and CDPH has been working with ARB on drafting a significantly longer version, which should be reflected in the Full Scoping Plan due in January.
- KH: It is important to focus on the truth of issues regardless of whether specific
  industries are affected. Otherwise you end up modifying recommendations with other
  considerations that should never enter the Public Health conversation. Perhaps the
  Scoping Plan should with potential health impacts (instead of making it an appendix).
  The EJAC is willing to advocate for this as well.
  - LH: From the Public Health perspective, CDPH is providing this analysis and assumes it will be part of the Full Scoping Plan, though it has not been determined if will make it into the body of the Full Scoping Plan, or as an appendix?
- MRT: The EJAC would welcome a Public Health analysis of the scenarios and discussion
  of health in the Full Scoping Plan, to determine which scenarios may be beneficial to
  public health, and which may be detrimental. John from OEHHA is still on phone, with
  analysis of how Cap-and-Trade is affecting Disadvantaged Communities (DACS); what is

CDPH's view on whether Cap-and-Trade is increasing GHGs and co-pollutants in EJ Communities, and what should and could be done to address this? More commentary and analysis of current climate programs like Cap-and-Trade is needed, to identify how they are impacting the health of EJAC communities. This could be included in the Land Use section, or a separate section.

- LH: We have the ICA Methodology, which is very robust and allows us to develop more economic analysis and incorporate them into the Scoping Plan.
- SG: Following up on KH's remark that this should be front and center in Scoping Plan, and other policy documents, such as energy and transportation. How can the issue of Public Health be incorporated into an economic analysis?
- MRT: Recommended that CDPH hold conversations with economists at ARB who are conducting the analysis on Economic Model.

### **OEHHA Report Presentation**

TJ introduced JF (on the phone) who provided background on the status of the AB 32 OEHHA Report, Key elements are as follows:

- The Governor directed OEHHA to perform an analysis on the AB 32 Disadvantaged communities by December, 2016, which OEHHA does not, as of yet, have ready to share.
- As the first report of its kind on AB 32, it has been both time consuming and challenging to compile. Largely, the challenges stem from having multiple sources of data to rely on in order to pull together the various ideas. These various data sources are compiled with varying objectives.
- The report is expected to be completed by mid-January, 2017.
- As stated in the last EJAC meeting, analysis for this report is focused specifically on facilities that fall under the Cap-and-Trade Program, and will characterize the emissions from the facilities and their locations with respect to SB 535.
- The report is also taking into consideration the relationship between GHGs and toxic air pollutants.
- JF thanked the EJAC for its patience and assured members that OEHHA is committed to making the report available to the EJAC, and will be available to walk the EJAC through the results and answer their questions as needed.
- OEHHA will coordinate a briefing with ARB ahead of the release date (prior to the January 27<sup>th</sup> Board Meeting) and looks forward to sharing the results with the EJAC when they are completed.

# **Questions and General Discussion Related to the AB 32 OEHHA Report:**

- KVG: Is there anything you can tell us now regarding the findings?
  - JF: OEHHA is still developing and performing analysis and decided it would not be appropriate to comment on the process while it is a work in progress.
- KH: Thanked JF for giving the report its due diligence and suggested that a January 2017 release date was in line with his previous expectations and considerations.

- MRT: The EJAC looks forward to seeing the findings of the report. It would be helpful to hear a little more about what challenges exist in the data sets, given the assumption that there is limited data available to analyze. Can OEHHA provide any examples of this?
  - O JF: OEHHA is focusing on emissions from facilities themselves, which has led to a mixture of data showing what is coming from which facilities, such as GHG reporting. There are also other types of data sets which tell us something about the co-pollutants and air toxins that come from these facilities, but these data sets are not generally maintained. It is largely a matter of bringing information together in a reliable manner, in order to better understand the big picture.
- MRT: With respect to ARB and emissions reporting from the facilities, what exactly is ARB collecting?
  - AA: GHG and Emissions Inventory and Development Reporting Systems (CEIDARS) are two separate databases. CEIDARS captures the toxins, and has been ongoing for years. The GHG database is relatively new.
- MRT: Is one of the databases better equipped to use information and analyze it?
  - AA: CEIDARS has a longer track record, but is not required to be updated every year. GHG is required to be updated each year. It is possible to have facilities get different GHG recordings each year, while not updating their toxins.
  - DM: GHG data is third party verified; CEIDARS data is not, and comes from 35 air districts. ARB conducts Quality Control and Quality Assurance (QCQA) on these data sets.
- KH: Resolution seems to be an issue with regard to time and depending on if facilities
  have received fines and whether or not they have had violations or reported them more
  frequently—it sounds like more data could exist for different facilities. Is this an
  accurate assessment?
  - ARB Staff: GHG data is available every year and has built in third party verified regulations; CEIDARS collects for criteria pollutants, which is required every year, and toxics, which tend to be available roughly every four years. That data is collected by the 35 districts and fed to CEIDARS from there.
- JF: OEHHA clarified the distinction between criteria pollutant vs. toxic air contaminant: Criteria air pollutants are the federally designated pollutants, including sulfur oxides, nitrogen oxides, ozone particular matter pollutants, lead, and carbon monoxide. Toxic air contaminants, designated by a Toxic Air Contaminant Program in California, which include benzene and cadmium and other more specific volatile compounds which possess a variety of potential health outcomes.
- KH: Is any data from DTSC being used?
  - o JF: OEHHA does not have any data from DTSC for the purpose of this study.

# Preliminary environmental Equity Assessment of California's Cap-and-Trade Program, Report Presentation

Rachel Morello-Frosch (RMF) presented on California's Cap-and-Trade Program (by Webinar). See Appendix B for the complete presentation, and Appendix C for the complete report. Key elements are as follows:

- Many polluting facilities are located within 2.5 miles of neighborhoods.
- Many facilities that emit GHGs are located in DACS.
- GHGs do not directly impact health; but they indirectly affect health, as they lead to climate change.
- The largest emitters of GHGs and PM10 tend to be located near DACS.
- GHGs have dropped in California from a peak in 2001, though some industries sectors covered under Cap-and Trade have reported increases in localized in-State GHGs since the program began in 2013.
- Many companies have been using projects outside of California to meet compliance obligations.
  - Between 2013 and 2014, more emissions offsets credits were used than the total reduction during that time period of the cap—primarily linked to projects outside California.
  - Less than 25% of the offset credits were utilized for projects within California.
- 46% of offsets are for forestry projects, 46% are for ozone depleting substances, and some of the projects are for livestock.
- RMF makes the following recommendations:
  - Develop better linkages between state facility-level databases on GHGs and copollutant emissions.
  - Integrate GHG and CEIDARS databases for reporting purposes.
    - This could be built into facility emissions reporting requirements;
    - Publicly release data on facility and company-specific allowance allocations; and
    - Track and make data available
  - Continue to collaborate with OEHHA, and support their effort to develop their first report.
  - o Continue to expand the scope of co-pollutants analyzed.
  - Integrate efficiency metrics and carbon intensity such as fuel use.
  - Integrate economic growth variables in multivariate analysis in order to separate increases in emissions with economic growth and corresponding increases in demand and production.

# **Questions and General Discussion Related to the Cap-and-Trade Program:**

- KVG: Your verbal analysis helped me to better understand the Census Tracks--how many of the tracks have 14 facilities in them?
  - RMF: 50 block groups have between 7-13 GHG facilities in them within California.
  - JR and RMF clarified that all of these facilities are not located immediately next to a census track, they are within 2.5 miles of a census track—correct?
- RMF clarified that the mean is so much higher than the median because the higher emitters are significantly higher and thus pulling the mean drastically.
- CB: Is there any data to suggest why those outliers performed the way they did?
  - RMF: This is the challenge of this type of data analysis—it does not show why
    there has been an increase in a specific period of time. The data sets cannot
    answer this question, researchers must identify the outliers, and ask the right
    questions.
  - o CB: Perhaps this is where BMPs would lie in terms of the policy discussion.
- KH: Was PM10 used because there was more data available than PM 2.5?
  - RMF: We started with PM10 because that was the data we had available online; now we have PM 2.5 and will begin using it. The goal was to do a proof of concept on how one might approach doing an equity analysis of Cap-and-Trade.
- KH: Removing the short lived climate pollutants in GHGs would be valuable.
   Distinguishing between methane, HFCs, and inorganic and organic black carbon would be useful, especially with regard to the geographic locations of these activities.
   Grouping slides 21, 22, and 23 (See Appendix B) illustrated the failure of Cap-and-Trade in its present form. The fact that offsets are mostly taking place outside of California illustrates how industries under Cap-and-Trade are able to increase their emissions without penalty—other than buying offset credits.
- MRT: expressed her perception that the report suggests that Cap-and-Trade enables and furthers environmental racism through of localized pollution racial minorities and DACS families and communities in California. She also referenced that 80% of the benefits of Cap-and-Trade take place outside of California. This shows a disconnect between Cap-and-Trade Staff and what is occurring in EJ Communities." MRT and KVG asked whether ARB Staff is studying the impact of emissions increases in EJ and DACS Communities.
  - FV: Yes. The report does not suggest that Cap-and-Trade has caused the emissions increases. Other factors, such as the simultaneous economic rebound have contributed to emissions increases.
  - JR: All these factors are being considered, including causation by Cap-and-Trade.
     FV clarified that ARB is looking for increases, as opposed to saying there are increases, to see if increased emissions exist, and what the cause of any increase is.
- KVG: expressed her impression that Kern County's emissions have increased faster than the State average.

- FV: ARB presented on this issue in November; Rachel and her team presented the material and identified important issues and challenges. ARB will continue to work with Rachel and her team on this matter. Furthermore, ARB understands that communities effected by emissions are disproportionately DACS, and will do everything we can do to address this as part of our 197 effort, and all of our broad efforts. This raises important issues we need to further study.
- KVG: ARB continues to state that Cap-and-Trade is not the cause of increased emissions, but the overall goal of Cap-and-Trade is to decrease emissions—which continue to increase. She feels this leads to question what mechanism within Cap-and-Trade is allowing for this emissions increase. She suggests there is something systematically wrong with Cap-and-Trade.
  - FV: GHG emissions are below the Cap budget which will continue to decrease over time.
- KH: Some facilities are reducing their emissions. What kind of BMPs can be learned from these facilities moving forward?
  - With regard to the need for metrics based on production and efficiency to track the effectiveness of the program, the benchmarking ARB did was based on looking at entire sectors and determining which sectors were relatively efficient, and which were not. RMF also highlighted there are additional studies that would take into consideration production, intensity, and efficiency, so ARB will continue to work with her and her team to identify the best ways to approach that data.
- FV agreed to send the EJAC the trend/benchmarking report relating to sector efficiency.
- MRT: Looking at Figure 10 (Offsets Credits), the graph suggests emissions decreases should be tied to allowances from primary polluters, and that the amount in decreased emissions is less than the amount allowed in offsets with regard to GHG reduction. Has ARB Staff tracked the allowance for offsets within Cap-and-Trade and compared that number to what was supposed to exist in California?
  - TJ: Offsets are limited and tracked in Cap-and-Trade. The first two years of Capand-Trade represented the compliance period. The covered entities were allowed a maximum increase of 8% offsets in their total 100% surrender of instruments. However, only 4.5% were actually surrendered to meet their obligations.
  - RMF: The data could be interpreted in different ways, but having 8% of a
    facilities compliance obligations as offsets may not seem like a lot, but definitely
    adds up when characterized across different entities. This raises a policy issue
    with regard to the use of offsets for compliance purposes, if the goal is to
    incentivize deeper reductions over time.
  - o FV: ARB is assessing the appropriate use of offsets moving forward.
- MRT: The EJAC has recommended that offsets be eliminated.
- CB: Is there a methodology that would begin to answer the question of causation with respect to economic growth and increased emissions?

- RMF: Unfortunately there is no easy answer to this question. We did attempt to balance the data used in our report to the best of our ability. Looking at sector specific trends in production, and modeling those trends in predictions could be effective. Also, looking at multi-level modeling, such as GDP and employment increases, may help address causation as well, in a more systematic way.
- TF: The data is very confusing. Looking at electrical generation, we are at the same place from 2011 to 2014. In-State generation was 88 million tons of Co2 in 2011, and 2014. There has been no decrease in inventory for electrical generation in California. You have the Renewable Portfolio Standard (RPS), and Cap-and-Trade, and it is hard to determine if offsets have had an impact on electrical generation. In-State generation was 41 million tons in 2011, and it was 51 million tons in 2014. Imported electricity has gone down from 46 million tons to 36 million tons in that same period. Is there an explanation as to why the numbers do not add, up and corroborate what is actually occurring?
  - FV: We can have Staff walk you through this. Keep in mind we are in a multiyear drought, which would affect hydro-generated production.
- TF: There is no decrease in the inventory that the Cap would have protected.
  - TJ: The decreasing Cap takes into consideration all sectors underneath it in the entire state.
  - FV: The data on ARB's website is much more detailed and thorough. The data we are looking at today represents a smaller sub set of the overall data.

# **Discussion on Adaptive Management Presentation**

Johnnie Raymond (JR) discussed Adaptive Management in the Scoping Plan. See Appendix D for the complete presentation. Key elements are as follows:

- JR presented California's Clean Air approach and discussed ARB Adaptive management program in relation to EJAC questions.
- Adaptive Management is broken down into four parts, which will be the annual process moving forward: (1) Annual Monitoring, (2) Data Screening, (3) Data Analysis, and (4) Public Process (See Appendix D, Slide 17).
- ARB will work closely with local air districts in attempts to identify causality.
- FV: You heard RMF talk about conducting a study to correlate GHGs and criteria pollutants. We have established a system to identify actual increases in criteria pollutants, bypassing the question of GHG and criteria pollutants entirely, to look directly at criteria pollutants to identify trends. Criteria pollutants have localized affects. Finding causation is very challenging, due to various factors such as the economy, weather, and climate.
- District reporting and methodology of data collection has changed over time, and presents other challenges related to causality.

• That data shows GHGs, we are looking at criteria pollutants solely. The EJAC (and public) will have access to the measures used to determine criteria pollutants by the end of the year.

# **Questions and General Discussion Related to Adaptive Management:**

- KVG: What conversation is taking place with regard to AB 197 and the Adaptive Management tool?
  - FV: That tool exists to highlight potential issues, rather than to solve the issue. It was never intended for that. The solution should be developed through the public process.
- MRT: If ARB is unable to take action to reduce the emissions from carbon communities, where do we need to go to get results? The 2014 EJAC included a 2011 version of Adaptive Management and it seems similar.
  - FV: The release of a Draft Report, which will show the analysis completed to date, is scheduled to be released in the spring of 2017, and by summer ARB would have a proposed Adaptive Management report to take to the Board, including any suggestions and recommendations. The release of that report will go through a public process.
- KVG: Is this where we can expect AB 197 to be adopted and implemented?
  - FV: Adaptive Management represents one layer of ARB's entire suite of management, and is intended solely to identify increases in criteria and toxic pollutants for facilities covered by Cap-and-Trade. 197 represents an entire effort to identify opportunities and measures to achieve emissions reductions.
- LO asked about imported energy and whether it was included. This is an issue for his region do to their proximity to the Mexican border.
  - ARB clarified that imports do not show up in the data because ARB is looking specifically at Cap-and-Trade related emissions within California. However, Capand-Trade does account for emissions outside of California that contribute to California's emissions.
  - ARB will coordinate with LO to gain a better understanding of imported emissions concerns within LO's region, and follow up with the EJAC.
- EJAC agreed that they should be briefed on the Adaptive Management Tool Report in 2017. (See Appendix D, Slide 28). CB also recommended that this report be included to the EJAC's list of items it needs before going to CEQA.
- CB: Looking at Appendix D, Slide 25, under the third first quarter bullet, what is the total universe of causal hypothesis that your Adaptive Management Strategy is intended to inquire about?
  - JR: We have identified several, and will likely identify others as we move through the analysis.
  - FV: Reiterated that ARB has been collaborating with two EJAC members to identify contributing factors, and agreed with CB's suggestion that including those factors in the Full Scoping Plan makes sense.

 Wes Ingram (WI): We may see a scenario where it is not possible to identify causation, due to extensive interaction. However, real increases in emissions need to be addressed and decreased, regardless of causation.

# **Public Comment:**

- Nikita Darimani, Leadership Council for Justice and Accountability, based in Fresno: reiterated the EJAC's recommendations regarding childcare and food at the workshops. She discussed that they work with so many parents who want to be and stay engaged, but in order for them to provide meaningful input, childcare needs to be taken care of. Regarding pushing back the timeline, the community organizing perspective is effected too, with regard to the Scoping Plan. Community members need time to review the Scoping Plan in their communities too. She emphasized the need for analysis of alternatives to Cap-and-Trade. She provided that the State has studied and confirmed concerns related to emissions, and must now find ways to incorporate AB 197 into the draft.
- Colby Morrow, worked in the air quality industry for 32 years, then became a consultant in the industry, and now works for a utility. These are fascinating conversations and shows just how complicated this process is. She shared personal examples of large facilities she audited, including refineries, and how she always thought that effort should go into emission inventory. There is so much data to analyze. She questioned whether emissions factors be based on source testing, or not and whether testing be performed on what comes out of the stack. On the NPO side for census tracks, she shared that they are not determined by size. She felt that they used to do a poor job of zoning and build a refinery with housing next door for the refinery workers. Now certain tracks are zoned for industrial zones, and that is where people want industry to go there. She lives in Fresno and shared that industry there is located in certain parts of the city, and the plan was developed with community that will no longer zone new property within the area as industrial.

# **Update on Public Workshops/ EJAC Community Outreach**

EJAC members were asked to share any important feedback from community workshops held from August through December 2016.

KVG shared the following points from a Northern California Workshop held in Tribal Lands:

- Scoping Plan should allow for cultural prescribed burning. She shared how this is culturally significant and reduces the risk of wildfires.
- Tribes outlined the that fish and water management were important considerations as well as food access and job creation

LO shared that his organization held a <u>Summit in October</u> and asked to utilize the working lunch on December 22 to discuss it in more detail so he could here from ARB member's experience at this Summit.

# Day 2, December 22, 2016

SL Started the meeting by welcoming everyone, and acknowledging those attendees participating via telephone. She reviewed the agenda, and the meeting goals. She also identified carry over or "parking lot" items from Day 1, which were displayed on flip charts in the room. These items were reviewed during relevant periods of the Day 2 agenda and are incorporated herein.

Sekita Grant (SG), Floyd Vergara (FV), Rajinder Sahota (RS), Chief Economist Emily Wimberger (EW), and Matthew Botill (MB) joined the meeting via telephone.

# **General Process Questions and Comments for Day 2:**

SL reviewed the overall discussion process and documentation for Day 2. For each Sector item ARB Staff will give a 10-15 minute presentation providing an overview to the EJAC, and to identify where recommendations were incorporated and where they were not. With regard to prioritization: for those recommendations that were incorporated, the EJAC will identify whether those recommendations were captured properly in the Discussion Draft. ARB and EJAC will discuss how to revise the Discussion Draft to more accurately capture the intent of the EJAC recommendations. Time permitting, the EJAC and ARB will review those EJAC recommendations that were not incorporated and why.

- MRT: It would be useful to see in the Discussion Draft what recommendations the EJAC saw and liked, and what was useful; what recommendations were included but require editing, what recommendations did not make it into the draft, and then prioritize those recommendations.
- MRT: expressed an interest in having the Natural and Working Lands author (who is not part of ARB) join the call.
  - TJ clarified that these authors were not available, but ARB Staff will deliver content from today's meeting to them.
- MRT expressed the importance of identifying the authors of each section, so that EJAC could discuss required revisions with them.

# **2030 Target Scoping Plan Discussion Draft**

TJ presented on the Discussion Draft. See Appendix I for the complete presentation and Appendix D for a copy of the Discussion Draft. Key elements are as follows:

- The Scoping Plan update is part of the overall climate strategy—Safeguarding California.
- Appendix E, Slide 7: This chart depicts 1990 level emissions, which established a baseline, and the first target of 2020. The target bar on top shows the emissions that need to be reduced.
- ARB is collaborating with multiple state agencies: the Climate Action Team, the EJAC, local and regional agencies, industry and other interested stakeholders.

- The Community Workshops are summarized on Page 13-14 of the Discussion Draft, through December 2, 2016.
- There are six key sector focus areas in the Discussion Draft: Energy, Industry, Transportation, Natural and Working Lands, Waste Management, and Water.
- Cross-Sector Interactions identify measures that will help to achieve the 2030 goals.
   (See Appendix E, pages 35-36.)
- Sector Vision, titled: "Looking to the Future," identifies high level goals for the sectors.
- The last section that each sector has are sector measures, which will help the state reach its goals. The term, "Known Commitments," is used often. Something unique about this Scoping Plan is that the group is already in action, and gets to build upon that. SB 350, SB 1383, and SB 375 already exist. Furthermore, ARB is developing a Mobile Source Strategy, and there are other potential new measures as well.
- Section 3, Scenarios in Scoping Plan (Appendix I, Slide 19.) These include:
  - Staff's preferred approach is the Post-2020 Cap-and-Trade Program.
  - o Carbon Tax Scenario (Alternative 2).
  - No Cap-and-Trade Scenario.
- New measures include: Refinery efficiency, industrial sector efficiency, increased Renewable Natural Gas (RNG) utilization, and electrical heat pumps in buildings.
- These new measures moves into the fourth section of the Discussion Draft, Local Action. (Appendix I, Slide 28.)
  - ARB must work collaboratively with local and regional partners to obtain this.
     ARB will continue to work with people locally, so they have something to reference in their jurisdictions.
- ARB proposes a regional plan with per capita targets.
- Appendix I, Slide 29 briefly touches upon the fifth section of the Discussion Draft, Scoping Plan Evaluations.

#### **Questions and General Discussion Related to the Discussion Draft:**

- TF: The first 30 Pages of the Discussion Draft are essentially an introduction summary. It misrepresents some of what the EJAC said and needs to be revised. The overarching issue is left out on Page 29. The summary covers 90% of what we have been discussing, but the other 10% is important too.
  - TF will provide language regarding the missing overarching issues in the Discussion Draft.
- TJ clarified that she authored the introduction summary and will incorporate recommendations and feedback from the EJAC.
- Many EJAC members felt that EJAC recommendations should be summarized in the beginning of each sector of the Scoping Plan.
- TF provided a local example of coordinating efforts with local communities and government. He referenced a local district's banking emission reduction credits for GHGs. He expressed a need for creation of a unified set of policies and plans for the unified air districts. He stressed if there are GHG credits granted for CEQA mitigation,

unified policies should exist for coordinating and implementing those efforts. He expressed support for a unified policy similar to what the California Air Pollution Control Officers Association (CAPCOA) has come up with for trading GHGs within the district.

- FV confirmed that regulations mentioned do exist in Title 17, section 91500.
- KVG: Regarding CAPCOA, on Page 106 in the Draft Scoping Plan, it reads: "Where further process design..." Essentially CAPCOA creates a new trading mechanism at the local level. The EJAC has raised serious concerns about this process, and prefers to see this section struck from the draft because technically, it is an overarching issue.
- KVG: On Page 31 of the Discussion Draft, looking at the "linear line," this has been discussed more than once, and we cannot expect this to be a linear line—it needs to be more of a curve. The EJAC would like ARB to make assumptions based on what is more realistic. There are no metrics in the draft; clear and measurable items to look at in 2022 would be useful, so we can tangibly review what is, and is not working.
- KVG: Community ownership and self-determination need to be drivers, and beneficiaries of this process, and this should be clearly noted on that first page what the EJAC's intent was.
- KH: When reviewing the Scoping Plan, annotation of the EJAC recommendations were
  missing. The Appendix could be annotated directly into the Scoping Plan, with a
  reference point. There is nothing concrete, and no actual strategies in the Scoping Plan
  to actually benefit communities. The EJAC has provided examples of how to do this—
  that way, if someone wanted to find it, they could.
- MRT: It is great to see the inclusion of EJAC recommendations and how they show up in the Scoping Plan. Adding EJAC approaches and attempts to summarize recommendations is nice to see. It was apparent that some authors read the EJAC recommendations, and tried to incorporate them, and some did not.
- MRT: Will AB 197 analysis around direct emissions reductions be done for the 2030 Scoping Plan?
  - o TJ: Yes, it will be in the Full Scoping Plan released in January.
- MRT: The way the Scoping Plan was written initially considered both environmental and economic vision towards 2030, but any discussion around the green economy stops there. Where is the vision for clean energy, the economy, and jobs that go with that?
- KVG: If CEQA is being done now for the Scoping Plan, that means those sections are written, and there is a legitimate concern that items are being considered that have not been released yet. That is not in line with best practices, and will have to be brought up at the January 27<sup>th</sup> Board Meeting.
  - FV: I am already in communication with my superiors regarding the Timeline question (See Day 1 discussions).

# **California Climate Investments Sector Presentation**

MB presented on California Climate Investments. See Appendix I for the complete presentation. Key elements are as follows:

- \$900M was appropriated towards California Climate Investments (CCI) for the continuation of the program in September 2016. Each of the programs included are targeted for DACS.
- AB 1550 was enacted, which provides some direction for CCI to focus on DACS, as well as low-income communities and low-income households throughout California.
- ARB has worked with agencies and the EJAC to develop guidance for these new programs, as part of the overarching funding process. Starting in 2017, attention will be focused on implementing directions coming from AB 1550.
- ARB is looking to identify what communities need, and how to provide it to them. ARB
  is also providing the public and the EJAC with more detailed information regarding the
  historical outcomes and data, including the latest round of where funding went, who is
  benefiting, and the geographic disbursements.

#### Questions and General Discussion Related to the California Climate Investments:

- SG: Where is carbon with regard to transparently tracking the benefits and unintended consequences of these investments? This touches on the Adaptive Management theme as well. How are we linking the investments to show what priorities are being outlined in the Scoping Plan, with regard to regulations and policy, to make sure it is as coordinated as possible?
  - MB: For the better part of the last 2 years, ARB has been providing guidance to each of the 15 different agencies that run CCI programs. ARB has a fully executed contract with UC Berkeley to provide assistance in this area.
- SG: Is the timeline to get that done in 2017?
  - MB: Our goal, which is an aggressive one, is to receive feedback from Berkeley for the 2017-18 appropriations. To that end, ARB has already initiated that work and has begun working on data collections. Berkeley has already hit the ground looking for mutual employment benefits.
- KVG: It would be useful to offer an overview of a request Floyd sent to the EJAC related to additional metrics. The benefits food access was mentioned yesterday, with the community engagement benefit listed; how do we define what that benefit looks like, and how do we do it successfully? Displacement risk was also included, with specific reference to early indicators. Job creation was referenced, and it needs to be specific to green energy and not subjected to future losses. And job transition was mentioned as well, and how to measure the shift from fossil fuels to green energy. Benefit should be broken out by race and income, and the study should be as nuanced and possible. Regarding investments, the EJAC made very specific asks for ARB to look at investments beyond Cap-and-Trade. Finally we asked that people who are regulated entities not be eligible for funding.

- EJAC agreed to incorporate the following Climate Investment Working Group notes in future Scoping Plan revisions:
  - Food Access should be included, specifically the health and GHG reduction benefits of increased food access and the re-localization of production/distribution through small-scale infrastructure projects (i.e. central kitchens, urban agriculture spaces, grocery stores, etc.).
  - EJAC can inform "community engagement" and the benefits (and many others, for that matter), and hope the researchers would consider qualitative interviews with key organizations in the Environmental Justice community to help inform their conclusions about quantification. Not everything is in published research, or might appear apparent to researchers in a community like Berkeley.
  - "Displacement risk" is included, but researchers should be very mindful of early indicators. Many current measures for displacement risk are things that we can only measure when it's already a little too late to keep people in their homes; more upstream measures that allow time to put policies and practices into place to keep people in their homes would be preferable.
  - "Energy cost savings" or "fuel cost savings" should be given to communities and applicants.
  - The "job creation" metric needs to be specific to green and sustainable jobs. If more folks work in the oil fields, that's not a benefit. This needs clarified to ensure it is understood in the Scoping Plan. This benefit should also expand to include job "transition," or the effective shift of traditionally fossil fuel economy workforce into cleaner employment.
  - VMT is a great measure, but it's not adequate to ensure land use practices are shifting to align with the goals of SB 375. Consider alignment between the SCS and implementation to capture that.
  - The level of benefit should be broken out by race and income; for example, the reduced transportation costs to users might look different if traveling from a higher income area than it could be for a disadvantaged community, or if people are white or black (depending on the level of segregation and correlated level of service for different communities). If that's not possible, ARB should not accept another quantification methodology that cannot achieve that level of detail; the researchers should add that to their list of benefits that need further exploration.
- TF: Does CCI include High Speed Rail?
  - o MB: High Speed Rail receives 25% of funding received from the options.
  - TF: High Speed Rail promised to mitigate GHG emissions from construction. TF would like information on who is checking on compliance with these promises. The benefits of that mitigation should be seen here in the valley.
  - MB: did not have the answer but will pass along the contact from the High Speed
     Rail Authority to make sure this is being done.

# **California Climate Investments Modeling Presentation**

Emily Wimberger (EW) presented on California Climate Investments (Data Modeling). See Appendix E and I for additional details. Key elements are as follows:

- Appendix I, Slide 42 discusses carbon pricing, and how to design a Carbon Tax scenario.
   One key component missing with the Carbon Tax is the certainty of reaching 2030 GHG reductions.
- Appendix I, Slide 45: A significant amount of uncertainty exists related to Carbon Pricing.
  We need to think about the context of the economic analysis used to evaluate each
  scenario and need to recognize the uncertainty associated with that analysis related to
  the results in the January Draft.

# **Questions and General Discussion Related to Modeling:**

- KVG: To reiterate what was mentioned yesterday, it would be useful to connect EW with LH at CDPH, so they may share data and analysis. With analysis of asthma attacks, ARB mentions uncertainty associated with the results of a Carbon Tax scenario, but research does exist showing how a Carbon Tax can be built to be functionally equivalent to the Cap-and-Trade system regarding emissions caps. The flexibility of a Carbon Tax should be factored in to a true model of what a Carbon Tax can do. The Chart on Appendix E, Page 86 is too conservative, and does not give Carbon Tax the type of certainty currently given to Cap-and-Trade.
  - o EW: It would be helpful to see KVG's data on Carbon Tax.
- MRT: How close is your team to providing an analysis of what the clean energy job sectors are with the data being presented?
  - EW: We are seeing shifts in employment by sectors, as well as shifts in the economy and jobs.
- MRT: The EJAC's official AB 32 Advisory Body to the State needs to review, and be briefed on, the complete analysis of these scenarios moving forward with the Scoping Plan. What are some of the other scenarios under consideration?
  - EW: Key scenarios include: More focus on Cap-and-Trade; alternative command and control regulations; a carbon tax, with variations for a facility tax; and potentially three additional scenarios are being discussed. It is not certain how far these considerations will go or what they will cover.
- MRT: Having a study on the Social Cost of Carbon is very useful. Will the study results be used regardless of which scenario is chosen by the Board? For instance, if the choice is Cap-and-Trade, will the Social Cost of Carbon factor into pricing?
  - EW: We have been trying to incorporate more into what we do at ARB, including social cost and comprehensive cost. Our goal is to beef up what is being analyzed. The EPA does this, and includes the social cost of methane as well. ARB has been communicating with the Public Utilities Commission about this matter with regard to natural gas as well. Because of AB 197, the results will be presented in the Scoping Plan regardless of which scenario is chosen.

- MRT: Emphasize in EJAC recommendations the need to factor in the Social Cost of Carbon, regardless of which scenario is used.
  - EW: Social Cost of Carbon analysis does not include any other factors, other than carbon.
- KH: Have you been able to tighten up the Model and its associated assumptions? Is this the same presentation that was given to the Board recently?
  - EW: This is same presentation from December 16<sup>th</sup>. This is essentially trying to predict the future. These models are based on what we have seen in the past, and represent an estimated cost. They do not, however, factor in technologies and other uncertainties. It is difficult to do and produces ranges. Essentially we are providing an outline and do not know if we can meet projections. We need to think of this in the context of uncertainty.
- KH: People need to understand this. As you build historical a record, the model adjusts
  with actual evidence. Going back to the scenarios themselves, why isn't an alternative
  looking at the fee tax approach to having a permitting fee in the industry?
  - EW: Strong enforcement is needed, as is design of a flexible approach. It would be interesting to know what this would look like structurally, regarding a "fees and taxes" scenario.
- TF: Many EJAC members feel the Discussion Draft Carbon Tax scenario includes a lot of the uncertainty. Analysis of the Carbon Tax scenario uncertainty factors is unfounded.
- MRT: How will the proceeds from a Carbon Tax or dividends be distributed? EJ
  Communities nationally and internationally should receive some of the funding. The
  economic analysis should include a fund for workers.
  - EW: Modeling that will be a challenge, though thinking about ways to return revenue is a well-taken suggestion.
- The EJAC discussed the Recommendation 6 Appendix G, page 40 relating to GHG Reduction Fund (GGRF).
  - Some EJAC members felt that access to GGRF funding should be left open to consider creative ideas. Excluding Emitting entities may decrease the rate of industry innovation—especially innovation related to pollutants and DACS. Some EJAC members referred to similar innovative partnerships with emitting entities in their communities.
  - Some EJAC members felt that emitting entities which contribute to the funding should not be eligible to receive that same funding. Doing so would lessen the impact of the revenue collected.
  - EJAC agreed that members emitting entities may be eligible for GGRF funding through an exemption if the premise of their innovation includes community leadership and partnership in projects.

# **Industry Sector Presentation**

Rajinder Sahota (RS) presented on the Industry Section. Key elements are as follows:

• The overall objective of the Industry Section is to increase energy efficiency. Less fuel for combustion will lead to lower GHGs as well as lower criteria pollutants.

- Want to increase use of non-fossil fuels. For example, switching from fossil fuels to biomass.
- Want to promote and support industry which provides clean energy technology to help meet State climate goals.
- Opportunities exist to develop solar panels and weatherization products, and similar industry related businesses.
- Want to maximize air quality co-benefits.
- California needs to be at the epicenter of innovative technology Research and Development.

After RS initial overview of the Industry Sector and EJAC comments, the facilitator asked the EJAC to clarify their intent regarding EJAC recommendations. EJAC members were asked to identify what they would like revised in the Discussion Draft.

# **Questions and General Discussion Related to Industry:**

- MRT: The EJAC recommended against bio-mass burning, and felt that the Industry Sector authors did not adequately incorporate EJAC recommendations.
  - RS: Asked for clarification on the types of alternative energy resources can be considered. If looking at existing industries and jobs, what type of industry is the EJAC envisioning for California, in both the near-term and long-term?
  - KVG referenced the Natural and Working Lands Section EJAC recommendation 4, on Page 33 (Appendix G), and Recommendation 12 in the same section.
  - FV clarified that the Discussion Draft is not talking about locating bio-mass facilities within DACS. They are not conflating low-carbon fuel standards and bio-mass burning, which is a known issue, particularly in the Central Valley.
- TF: recommended against growing food for fuel to reduce GHGs.
- SG: clarified that recommendations in the Transportation section are a way to achieve electrification. It is not meant as a push towards bio-fuels. She acknowledged that politically EJAC recommendations do not stand no chance if there is no solution for refineries shutting down.
  - MRT: Low-carbon fuel standards and electrification in the Transportation section are not meant to promote bio-fuels.

EJAC members lead the discussion at this point explaining their intent from their EJAC recommendations with ARB Staff offering clarifying questions.

- MRT: The Industry needs to transition to new clean energy economies and business that
  will not harm vulnerable communities. Appendix E, page 44 discusses jobs and taxes
  from polluting industries in a way which suggests these industries provide for services,
  without also considering the jobs and taxes that would come from the clean energy
  industry. The EJAC supports promoting a resilient clean energy economy.
- MRT: Known Commitments need to be included in "Envisioning the Future."

- RS: If we build a model for how you can do this and it comes to implementation, how is that done without impacting health concerns for residents? It would be helpful to understand if there is a model out there, in California or elsewhere, that helps to address these issues. Does the EJAC have an example of a successful model?
- MRT: None that we know of. Other Carbon Sequestration approaches exist perhaps TF's letter mentioned above can be useful?
- RS: What does the interim period look like? The Scoping Plan is trying to send a signal that we want low-carbon, new, and efficient products. How do we go from 2016 to 2050 in such a way that ensures people still have a quality way of life?
- ET: There is a need for balance. It is important to take the time to look at how we analyze these alternatives for sequestration, such as green infrastructure, to account for available and affective strategies.
  - FV: Will provide data to the EJAC from the recent Board Meeting, which emphasized the need to engage EJ Communities. ARB will consider nongeologic sequestration as well moving forward.
- KH: Regarding the existence of other models, we are looking at two levels:
  - 1. Production, where is the fuel/energy being produced? The San Joaquin Valley is concerned with landfills and dairy entering the sequestration market.
  - 2. Sustainable Freight, the technology for this is not there yet—perhaps it will be in the next 10 years.
  - The other component touches on infrastructure. Companies exist with the ability to convert heavy duty equipment to diesel to compressed natural gas (CNG), as a bridge to zero-emissions. This needs to be widely promoted, not just in EJ communities.
    - RS: This will create a limited number of jobs for clean energy and infrastructure. What about the other sectors of the industrial group?
- KVG: This issue needs to be met with a sense of urgency. In terms of looking out for workers, ARB needs to start from scratch, looking at the EJAC recommendations and studying the Discussion Draft. ARB has the technical expertise to accomplish this. ARB's job is air quality, and our health—these concerns are not being addressed adequately.
- ET: Had an opportunity to visit the BYD Plant in Lancaster recently. Unemployment was 12% in Lancaster, and that plant reduced it to 3%. BYD used a plant previously used to build RVs, to make their buses and trucks. Seeing what you can do for electric vehicles (buses and trucks) is encouraging. Perhaps moving to using electric vehicles and trucks more can be an alternative.
- SG: Is there any research around the projected loss of jobs in the fossil fuel industry compared to the creation of new jobs in the clean energy industry? This data would be useful.

There were not Public comments offered.

# **Transportation Sector Presentation**

Jakub Zielkiewicz (JZ) presented on the Transportation Section. Key elements are as follows:

- The main focus of the section is vehicle technology, fuel technology and reducing demand for passenger vehicles and vehicle miles traveled (VMT).
- Much of the emphasis mirrors what the Mobile Source Strategy Air Board has been working on.
- Incorporates SB 375 programs, and recognizes SB 375 cannot do it alone, and that more is needed.
- References "Vibrant Communities and Landscapes" vision document and an additional document studying VMTs.
- Local and regional action through SB 375 programs, along with recognition that the State should be doing more.

# **Questions and General Discussion Related to Industry:**

- EJAC expressed gratitude for inclusion of many of their recommendations in this section.
- GF: Which EJAC recommendations made it into the Scoping Draft, and which did not?
  - JZ: There was a lot of concern surrounding SB 375 programs related to the
    effectiveness and enforcement mechanisms of those programs. Staff is
    undertaking a collaborative approach. Some of the metrics need be looked at
    too, in order to make sure SB 375 achieves the measures it was intended to.
- SG: This was a helpful overview, and well-read section. It is critical to have language up front stating the need to prioritize transition within DACS, to make sure they are seeing the investments and transition happening. One thing missing is safety with regard to biking, walking, and public transit. These need to be reflected in the document. When looking at the assessment, it seems like transit recommendations are missing. The need to have community choice at the table during the decision-making process should be stated in the beginning. Hopefully AB 350 studies will lead to recommendations for regional mobility statements, to ensure the implementation side is not "one size fits all." On Appendix E, Page 52, with regard to renewable natural gas, and renewable hydrogen, qualifying language should state that they should be pursued responsibly, and will not be detrimental to DACS.
- TF: Low-carbon fuel should be increased from 20% to 30%. The 2020 goal of reduction of 10% has already been met. We should have had a higher target to begin with, so now we need to push the limit. 95% of this renewable number needs to be renewable electricity, which has a much smaller impact on community than bio-fuels, ethanol, etc.
- KH: More pieces from EJAC recommendations made it to the Transportation section than any other sector. Policy is one thing, but we need more specific strategic goals. We need to create regulations and strategic goals. The Sustainable Freight Plan should be mentioned. The paragraph on health is great, as long as indoor and outdoor space is healthy to exercise in. The section on Mass Transit, on Appendix E, page 350, needs

more language. On Appendix E, page 54, CEQA should be removed from the Scoping Plan. On Appendix E, page 55, under Known Commitments, Scoping Plan needs to push for more Zero Emission Vehicle's and need reconciliation for targets here. Regarding Cap-and-Trade, some of the language suggests it is the only option, and this needs to be addressed. On Appendix E, page 56, the third to last bullet looks at the fuel pool and low diesel, but there is no mention of renewable natural gas or electrification, both of which should be included (in the absence of new technology).

- KVG: The CAPCOA program on Appendix E, page 106 runs directly counter to what is written in this section. CAPCOA needs to be struck from the Scoping Plan. Look at EJAC recommendation 25 under the Transportation Section (Appendix G, p 29). ARB could take more of a leadership role in studying these targets, which should be included in the Scoping Plan. Regarding rural transportation and networks, this section should read more like, "community planned" or "density relevant community needs." Either way, this needs to be determined by the communities.
- TF: Methane capturing credits are an unfair accounting of inputs and outputs, when you
  give negative credit. Methane credits and debits do not net to zero. It still causes more
  emissions than will be captured. This is a product for sale now, and needs to be looked
  into further—the full life cycle.
- EJAC recommended that all authors need to look at how the Scoping Plan might reference Cap-and-Trade as the only scenario. If they are going to refer to a specific scenario, they need to include other scenarios too, or remove Cap-and-Trade and all others by name, simply referencing "All scenarios."
- EJAC Member: There is a need for training and infrastructure in EJ Communities around electric cars, for example.
- JZ will speak with KH offline regarding KH mention of SB 1383, under the known commitments categories, as well as Kevin's references to Appendix E, Page 54 and 55. Perhaps this discussion should be continued for the January deep dive?

# **Energy, Green Buildings and Water Sector Presentation**

JZ and Stephanie Kato (SK) presented on the Energy, Green Buildings and Water Sector. Key elements are as follows:

- This sector focuses on transitioning to zero carbons.
- Green buildings speak to the overall resiliency to climate change impacts and can help multiple communities. This is a good vehicle to promote across sectors.
- Strategies discussed beyond 2020 to get to 2030 include: Strengthening the California Green Building Code and should support various 3<sup>rd</sup> party certifications such as LEED.
- There are studies from UC Berkeley related to Green Buildings. One of the main recommendations is to look at transitioning to zero carbon building for the future, and to recommend working groups for state agencies, the public and the EJAC.

Questions and General Discussion Related to Energy, Green Buildings and Water:

- MRT: Will the green building recommendations be included in the Full Scoping Plan?
  - SK: It would be an appendix.
  - JZ: Some of the internal deliberations surround how much there is to say about Green Buildings. There is a paragraph in the energy sector which can be cross-referenced as an appendix.
- EJAC recommends including the UC Berkeley Study related to Green Buildings as an appendix.
- EJAC recommends including a Green Building component in the Energy section of the Scoping Plan, rather than making it an appendix. It should have its own section, and should be interwoven throughout the other sectors of this section as well.
- TF discussed concerns with ARB's reference to burning wood for electricity as carbon neutral in the Renewable Portfolio Standard.
  - EJAC Recommendation 7 (Appendix G, p. 11) provides that no energy credits for using bio-mass be offered to make electricity.
  - TF: References EJAC Recommendation #8 (Appendix G, p. 11) should be incorporated. This recommendation mentions Carbon Captured
     Sequestration, power plant projects, and using these for enhanced oil recovery, which should never be certified as projects that sequester carbon.
     Carbon Captured Sequestration should be removed from the Scoping Plan.
- JZ: The purpose of this document is to determine how best to deploy renewable energy. It is important to define what renewable energy is, which may be the broader point TF is making. We need to make sure we implement the 50% target identified in the Statute. JZ invited TF to share his research and data on the matter with him, so that he can pass it along.
- WI: Is this a question of how we change the inventory process?
  - o TF: Yes, because then the emissions would be counted.
  - WI: Some people in California want to advance the bio-mass process, but not many. There is nothing in the Scoping Plan or other documents that advocates the promotion of bio-mass to power plants.
  - EJAC discussed looking at partnerships between the Public Utilities
     Commission and ARB to identify how renewable energy is defined.
- EJAC recommends that ARB consider to revise the Renewable Portfolio Standard on Appendix E, page 60 of the Discussion Draft, and change the language of the section, giving special attention to the phrase "carbon neutral" in the draft.
- MRT: Very few EJAC recommendations made it into energy sector draft. This is a sector the EJAC can get excited about and plan for. SB 350 is referenced, but barely talked about how it is meant to affect DACS. As mentioned in the draft, we do need to reduce fossil fuel use. Sighting issues within EJ communities are discussed on Appendix E, page 40, however it can go further and include detailed jobs discussion as well. In terms of increasing RPS above 50% by 2030, the goal should aggressively aim towards 100% renewable energy. The Scoping Plan should look to create economic opportunity through a fee or tariff opportunity for small businesses and

- families to sell renewable power back to the grid. This discussion provides a reminder that the EJAC still needs the completed set of tables showing where EJAC recommendations were included and where they were not, and why.
- KVG: With regard to metrics idea, EJAC recommendation # 34 (Appendix G, page 6) identifies better metrics and how can we hold ourselves accountable to these goals so we can adjust our plans accordingly.
- MRT: There has been significant discussion around bio-diesel and renewable and natural gas. It may be more useful to tighten this focus, in order to focus on other available options.
  - o KVG: The EJAC's preference is for renewable electricity.
  - MRT: The EJAC would like to see more solar, wind, and hydro energy included.
  - EJAC Member: More focus needs to be given to solar, wind, wave, and hydro, and less should be given to fossil fuels.
  - The overarching issue is green job creation as well as training in EJ Communities. Furthermore, EJ communities need access to clean energy opportunities, in relation to SB 350. A recurring theme is the EJAC's recommendation 34 (Appendix G, page 6), for better metrics.
- SK: ARB is working on an appendix for local action, highlighting regional as well as project level components. When you reference Best Practices, are there any documents you have in mind?
  - GF: I have to look at the appropriate material uses. For example, PVC piping does not have to be used.
  - SK: ARB will follow up with State Water Resources Control Board and DWR regarding energy efficiency plans. Hopefully the EJAC's Recommendation 24 (Appendix G, page 14) is adequately incorporated on Page 77 of the Scoping Draft (Appendix E).
- MRT: One EJAC recommendation on energy and water is to assess major water projects, and the potential to use renewable energy to move water through those and existing projects. Is that represented anywhere?
  - SK: Trade-off dynamics occur, if certain other benefits exist. We can work
    with the water agencies to get more specific on the EJAC's Recommendations
    20 and 23 (Appendix G, pages 13-14) in order to see if they can estimate
    what those projects would include in terms of GHG reduction.
- MRT: Thank you. Please let us know if the EJAC Recommendations are included, and if not, why?
- GF: The chart on Page 76 (Appendix E) shows how water is moved throughout California via natural gas and crude oil, which can provide a counterpart to data on water and renewable energy.
- MRT: SB 698, a \$ Billion incentive for solar on affordable housing, needs to be added to the Known Commitments for the Energy section. In relation to green job creation, coordination with the California Labor and Workforce Development Agency should be included.

- TF: A great deal of groundwater is pumped for agricultural purposes. Hundreds of
  natural gas and diesel pumps exist in the Valley. Some pumps are grandfathered in,
  and produce significant pollution. The State could offer a program to convert nonelectric pumping on farms to electric pumps, and this could be done nearly 100% of
  the time. This would also provide an incentive to private pumpers of groundwater
  to convert to electric pumping.
  - SK: Funding is available for this, ARB Staff will check on the availability of all funding sources.
- TF: Also, enforcement and incentives are needed to require this. The Federal Tax Credit to install solar and other forms of renewable energy needs to be covered as well.
- Public Comment Jennifer Shipman, Manufacturers Council of the Central Valley: We
  have been dealing with the State Water Board regarding increases in groundwater
  pumping, and this may be something this group wants to pay attention to. Even
  more pumping is about to occur. DACS are going to be hit the hardest. 40% of the
  planned area for the Bakersfield Delta plan is in DACS. The EJAC should consider this
  with regard to its Recommendations related to groundwater.
- Public Comment from Coalition for Clean Air: I am trying to confirm the EJAC's
  position on natural gas use in the Transportation section. We all agree to allow for
  natural gas as an interim step towards the electrification of heavy duty diesel trucks.
  Regarding low-carbon fuel standards, the EJAC seeks an increase in the standard,
  which cannot come from bio-mass.

Natural & Working Lands, Agriculture, and Waste Management Sector Presentation
ARB Staff presented on the Natural & Working Lands, Agriculture, and Waste Management
Sector. Key elements are as follows:

- One major objective of the Scoping Plan is to address emissions from the Natural and Working Lands Sector.
- When looking at the 1990 baseline, Natural and Working Lands were not included.
- The Workshop on December 14<sup>th</sup> was very robust, and included interaction from stakeholders and interested parties across California.
- Natural and Working Lands can be an emissions source, or an emissions sink. The long-term goal is to make it an emissions sink which consumes carbon.
- Governor Brown addressed this last year at his inaugural address.
- Appendix E, Page 9 looks at what the state would like to achieve.

# Questions and General Discussion Related to Natural & Working Lands, Agriculture, and Waste Management:

- KVG: Cultural and Prescribed Burning need to be included in this section. This is something Tribes have explicitly asked for.
- TF: Prescribed burning is important for the national forests as well; any funding is appreciated, as burning is only completed as it is funded, rather than as needed.
- TF: On Appendix E, page 65 of the Discussion Draft, what is the main source of negative carbon emissions?
  - DM: This graph is likely showing prescribed burning and removal, in order to make the forest healthy.
- TF: There are not many negative results from a large prescribed burn. However, research shows the negatives associated with removing wood from the forest. It is more positive to leave the wood there. It is impossible to regain that negative, and it is not necessary from a true scientific bio-mass standpoint.
- KVG: I can provide Staff details of a lengthy exchange between the Karuk Tribe, and
  others in the area. Removing wood from the environment takes away their ability to
  make baskets, and other goods, which is a very important cultural practice.
- DM: I will take what TF and KVG have said back to the Forest Planning Team.
- ET: I cannot speak for California forests at this point, but given my previous work with the National Forests, I respectfully disagree with TF regarding burning, and would welcome the opportunity to review his data.
- The ARB Forest Workgroup will analyze the scientific research regarding pros and cons
  of removing forest of biomass/materials. This group will also coordinate discussions
  with Tribes/Native American communities for input on issues relating to
  cultural/prescribed burns and maintaining forest resources for cultural practices.
  - DM: There are 100 million dead trees in California, and the edict came down that they need to be removed.
  - Facilitator: the California Tree Mortality task force may be a good connection for this discussion.
- KH: The idea of forest thinning is ludicrous, given that much of the downed material is in deep territory impossible to access. Dead trees should certainly be removed near homes. The concern with forest thinning is that older diesel trucks will be removing all the trees down the mountain, and bringing them into the valley, which will increase air pollution. If anything, a facility should be set up in the forest. Furthermore, we need a more realistic count of the dead trees within a "belt" where people actually live, as opposed to counting 100 million dead trees in the entire forest.
  - MRT: Regarding the issue of keeping dead trees in the forest, MRT will get some of this research from various groups out to Staff.
- KH: On Appendix E, page 60, 2 & 3, the EJAC feels there is no mention here of restoring carbon to the soil, which needs to be added to the paragraph.
  - TF: Whenever possible, all agricultural bio-mass should return to agricultural soil.
     Only if that is impossible can other options be considered. Similarly, with forest

waste product, it is not waste, it is organic matter. The stated priority should be to leave that bio-mass in the forest and only then mechanically remove trees. That process would be impossible for most of the forest. With regard to landfills, the priority should be to recycle bio-mass, via composting, rather than trying to make methane out of the organic material.

- KH: Clarifying sequestration and the percentage of acres per year would be helpful. Use percentages rather than acres in Table II-2, on Page 64. We might want to include a climate adaptation piece where these sectors fit into as well.
- KH: Regarding reforestation of forests and private lands, only 175,000 acres of forest are included, which does not represent much in total.
- KH: Greenbelts should be identified as an example, compared to sprawl. (See Appendix G, p 36, EJAC Recommendation 9.)
- KH: The EJAC requested specifically not to strip forests in order to feed bio-waste, and this needs to be reinforced. See Appendix G, p 34, EJAC Recommendation 5.)
- KH: Regarding CNG at landfills, we do not want to see RNG pipelines all over the valley (See paragraph starting on the bottom on Appendix E, pages 70-71). Methane extraction is a very negative process. The idea works conceptually, but not to generate energy at the landfill solely to feed the grid. Using methane at landfills to fuel the trucks going back and forth to the landfills only makes sense.
- TF: Current legislation says reaching the 40% reduction will not happen from dairy methane until 2024. At that point, manure handling represents the only option, as opposed to the enteric emissions. Unfortunately, these represent a critical part of reaching the 2030 goal. What is the mitigation for that in the Scoping Plan? We need an alternative plan to make up for the shortfall on the enteric side.
  - WI: ARB has mapped out one path to the goal and readily admits there is more to learn in order to understand the full measure that we can bring to bear, and in order to choose the best path. We are not told we cannot regulate enteric emissions. We can regulate enteric emissions if we can find safe way to do so.
  - TF: At some point, a judgment call must be made, in order to hit the 40% reduction by 2030. We need a backup plan to get to the same total amount of reductions.
  - Floyd: We should not foreclose on the pathway to 40% reduction just yet, and we should not operate this Scoping Plan under the assumption that we will not meet the 40% target.
  - TF: Given the dairy market and the language in the draft, it seems prudent to place contingency measures in place in the near future.
- KH: The EJAC wants to see DACS have increased access to fresh food and produce.
- KH: Communities need to take full ownership of their waste and not ship it to DACS—
  got transferred to "ownership of resource." Waste Management needs to be built into
  all community development Scoping Plans. KH would support "California Communities
  should take full ownership of the waste they produce," Appendix E, page 73 "Looking to
  the future."

- SK: Looking at Appendix E, page 73, some of the overarching goals for the sector are listed. In terms of taking ownership of waste in California, the intent was for communities to take ownership, and to make sure waste is processed in California. In terms of utilizing waste as a resource, we wanted to provide all available options, from composting to anaerobic digestion. We did highlight the goal to reduce direct emissions from those processes.
- Hank Brady-CalRecycle (HB): Regarding the 1383 process, CalRecycle is engaging in informal workshops starting in 2017. Initial background and stakeholder conversations have taken place, in order to source productive and potential dialogue concepts, though the primary conversations will come through the workshops.
- KVG: The Intent of sending food to DACS was to encourage better planning with regard to purchases and waste not distributing food waste to food banks.
- MRT: There is no analysis of deforestation, and how we can avoid emissions from clear cutting or deforestation. Is there going to be a quantification of this? How much of the forest is left now?
  - DM: A lot of these issues will be released in the Forest Carbon Plan, which will be released next year.
  - MRT: With regard to DACS, there needs to be a discussion around reforestation/planting, urban forestry, and community greening projects.
  - SG: Concurs with the conversation around priorities with forest management in California and targeted reforestation in highly polluted areas.
- KVG: We need to ensure all the right people at the table regarding forest management, in order to determine best practices. There is a clear vision that needs to be carried out—with Tribal Leadership at the forefront. This needs to continue as a future discussion.

#### **Next Steps Discussion:**

- The January 18<sup>th</sup> EJAC Meeting was confirmed. Items for discussion at this meeting are as follows:
  - Community Workshops
  - KVG asked ARB staff to follow up with the EJAC in early January regarding conducting Community Workshops in early February.
  - MRT: If community workshops are in February, we may need to have an EJAC meeting beforehand, to prepare presentations. This involves ARB Staff as well, in a support role.
- KVG expressed a desire for one EJAC meeting per month between now and when this process is done.
  - KH expressed concern with other commitments making that meeting schedule difficult to meet.